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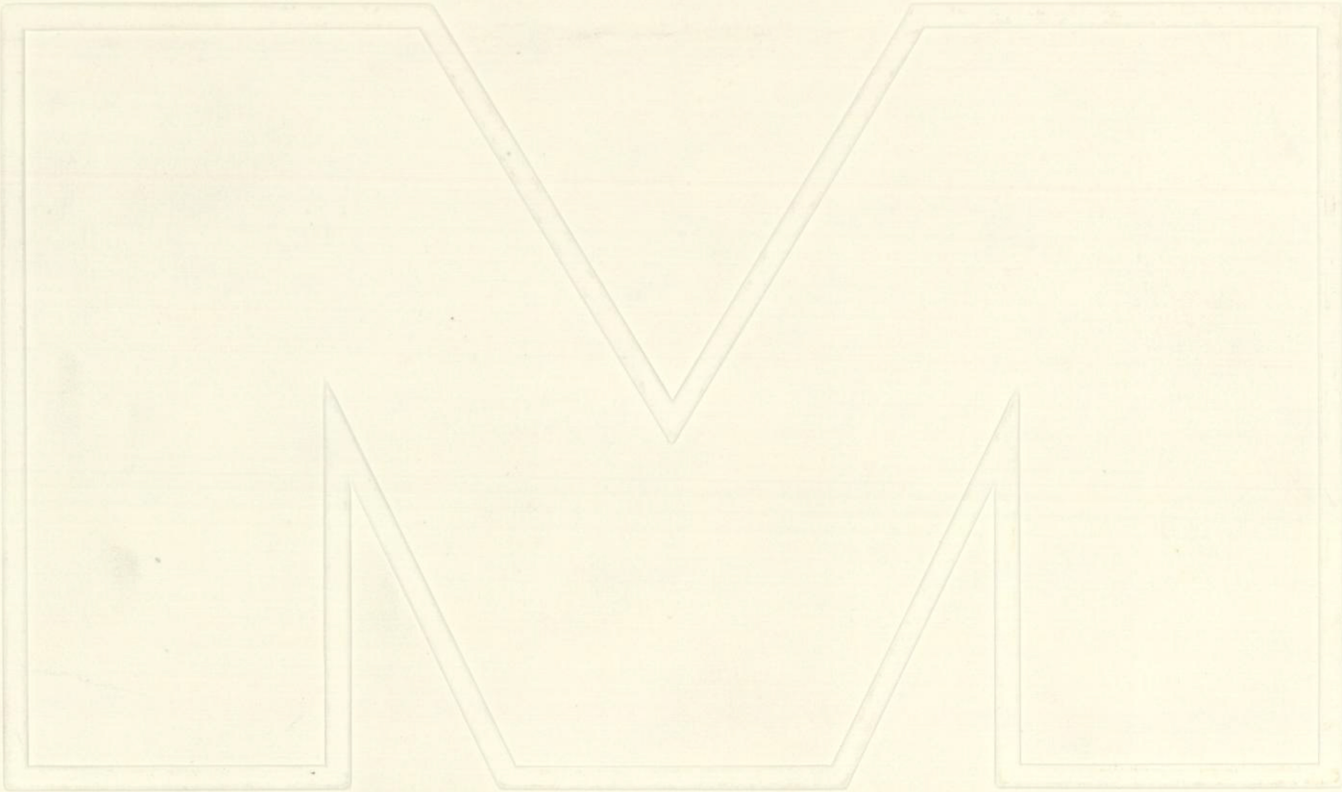
CORPORATION FILE

MELVILLE SHOE CORPORATION

Thom McAn Shoe Company • Miles Shoes • Meldisco • J. F. McElwain Company • Blue Ridge Shoe Company • Melville Realty Company, Inc.

Annual Report 1964



DIRECTORS

WARD MELVILLE, *Chairman*
FREDERIC ATTWOOD
CHESTER BAYLIS, JR.
LEIGHTON H. COLEMAN
ROBERT C. ERB
LESTER R. FALLON
JOEL E. FISHER
FRANCIS H. GLEASON
LOUIS C. LUSTENBERGER
SPENCER D. OETTINGER
SEWARD M. PATERSON
FRANCIS C. ROONEY, JR.
MURRAY M. ROSENBERG

EXECUTIVE COMMITTEE

MURRAY M. ROSENBERG, *Chairman*
LEIGHTON H. COLEMAN
FRANCIS H. GLEASON
WARD MELVILLE
SPENCER D. OETTINGER
FRANCIS C. ROONEY, JR.

FINANCE COMMITTEE

ROBERT C. ERB, *Chairman*
CHESTER BAYLIS, JR.
JOEL E. FISHER
SPENCER D. OETTINGER
FRANCIS C. ROONEY, JR.
MURRAY M. ROSENBERG

OFFICERS

WARD MELVILLE, *Chairman of the Board*
FRANCIS C. ROONEY, JR., *President*
SPENCER D. OETTINGER,
Executive Vice President
FRANCIS H. GLEASON, *Vice President*
KENNETH K. BERLAND, *Controller*
H. ALBERT BRODIN,
Treasurer & Assistant Secretary
THOMAS S. ROTHWELL, *Secretary*
HAROLD CHRISTIANSON, *Assistant Secretary*
BERTHA K. SMITH, *Assistant Secretary*
HAROLD R. WICKHAM, *Assistant Secretary*

Counsel: Davis Polk Wardwell Sunderland & Kiendl
Auditors: Peat, Marwick, Mitchell & Co.
Financial Advisor: George J. Leness
Transfer Agent: Irving Trust Company, 1 Wall Street,
New York, N. Y. 10015
Registrar: First National City Bank, 55 Wall Street,
New York, N. Y. 10015

March 12, 1965

To The Shareholders of Melville Shoe Corporation:

Frank Rooney, shown with board chairman Ward Melville, was named president of the Corporation in May of 1964. Into his 43 years are packed the Wharton School, three Navy years in the Pacific and 18 years of achievement in the shoe industry. Experience also marks the vigorous young management staff he heads for the Corporation and as continuing president of the Thom McAn Shoe Company.

We are pleased to report that Melville Shoe Corporation and its subsidiaries achieved excellent results in both sales and earnings in 1964.

Consolidated sales were $195,170,712, an increase of 7.0% from $182,403,253 in 1963.

Net earnings after taxes increased by 47.7%, and reached $7,110,962, or $2.35 per share of common stock against earnings of $4,814,257, or $1.52 per share in 1963. Both sales and earnings are record figures.

All divisions of the Corporation showed improved sales and earnings, marking 1964 as a significant turn-around year. This achievement, while aided by a generally favorable economic climate, is attributed largely to increased efficiencies throughout the Corporation and its subsidiaries, the increasing contribution to profit of new stores and the closing of unprofitable stores.

In January of this year, the common dividend was increased to a quarterly rate of 25 cents from 20 cents per share, and is equivalent to a new annual rate of $1.00. The new rate has been established with full confidence in the company's earnings potential and with prudent regard for the capital needs anticipated in connection with further growth.

Your directors also voted in January to redeem the small Series A preferred stock issue.

There were 1,250 stores and departments in operation at the close of 1964 as compared with 1,244 a year ago. During the year, 58 new units were opened and 52 were closed. Approximately 50 new units are planned for 1965.

Early in the year, a Dealer Division was established within the Thom McAn Shoe Company in order to offer the Thom McAn brand of men's shoes to consumers through independent shoe stores and department stores. This new departure has been extremely well received; Thom McAn shoes for men are now being sold in many of the leading department stores and independent shoe stores across the country. These accounts report substantial volume increases since adding the Thom McAn brand.

In May of 1964, after 42 years of service, Robert C. Erb retired as president of the Corporation. He came to that post after many years as president of the J. F. McElwain Company; he began his career with the manufacturing division in 1922. He remains a director and chairman of the Finance Committee.

Francis C. Rooney, Jr., president of the Thom McAn Shoe Company, was elected president of the Corporation and Spencer D. Oettinger, president of Miles Shoes, was elected executive vice president.

Your management was strengthened by the addition to the Board of Directors of Chester Baylis, Jr., a first vice president of Bankers Trust Company.

The growth and increased earnings of Melville have been gratifying. They reflect the intelligent and dedicated effort of a great many people at every level. That effort will continue; we believe 1965 will be a good year for this company.

Spencer D. Oettinger, 51, is the new executive vice president of the Corporation and continues as president of Miles Shoes, where he began his outstanding career soon after graduating from Harvard.

Chester Baylis, Jr., new member of the Board of Directors, is a first vice president of Bankers Trust Company, New York City.

Ward Melville

Chairman of the Board

Francis C. Rooney Jr.

President

Highlights

	1964	1963	*Percent Change*
Net Sales	$195,170,712	$182,403,253	+ 7.0
Net Earnings	7,110,962	4,814,257	+47.7
Dividends on Common Stock	2,232,365	3,627,668	—38.5
Net Earnings Per Share of Common Stock	2.35	1.52	+54.6
Dividends Per Share of Common Stock	.80	1.30	—38.5
Net Earnings as a Percent of Net Sales	3.64%	2.64%	
Cash	19,604,090	11,634,741	+68.5
Inventories	36,204,725	34,819,507	+ 4.0
Net Working Capital	41,428,506	36,088,146	+14.8
Shareholders' Equity	42,367,638	38,403,383	+10.3
Number of Stores	1,250	1,244	+ 0.5
Number of Employees	8,200	8,300	
Number of Shareholders: approximately 30,000			

Melville: Footwear for a Nation

Melville Shoe Corporation is a merchandising firm. Its business is satisfying people with goods. Its stock-in-trade is footwear.

To satisfy profitably as many people as possible means anticipating the needs, the tastes, the indulgences of people in all their diversity — of people from Puerto Rico to Hawaii. And then providing the footwear they want.

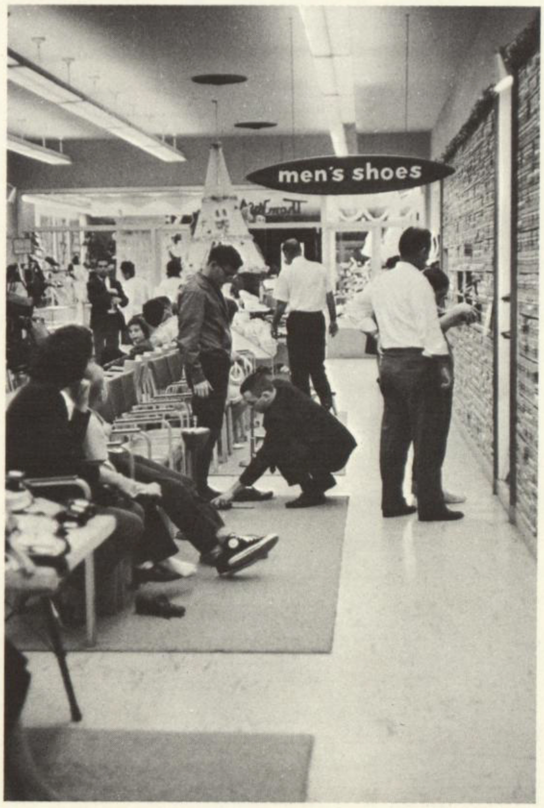
You cannot successfully be all things to all people. The merchant must study the market critically, identify specific customer groups, and decide on those he intends to serve. Then he seeks to excel—on the customer's terms—in the areas he has selected.

These decisions may be long-range. They may wear well. But they are not permanent. The only constant for the constant merchant is inevitable economic and social change. He must be permanently prepared to redefine his customer groups and the kinds of business he wants to be in.

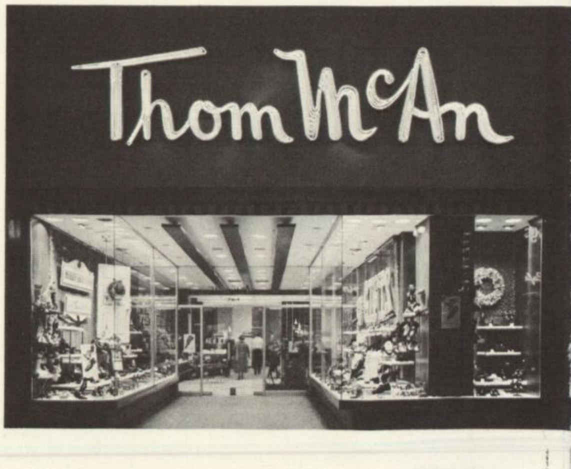
Melville applies this philosophy through three retail chains — Thom McAn, Miles, and Meldisco—and a Thom McAn dealer group, supported by two manufacturing divisions. All of them devoted all their energies during 1964 to supplying more of the shoes and socks and handbags and boots and sneakers and work shoes and shoe laces and slippers and sandals that particular people wanted to buy.

Thom McAn
WOMEN GIRLS MEN BOYS

Thom McAn



Thom McAn stores reflect the rising standards of taste and quality among today's young families. They suggest the fashion, luxury, enjoyment and excitement these active Americans seek.



Thom McAn Shoe Company

Directors:

Francis C. Rooney, Jr., *Chairman*
Roy S. Fogas
William Girdner
Ward Melville
Spencer D. Oettinger
J. Frederick Rossell

Officers:

Francis C. Rooney, Jr., *Chairman of the Board and President*
Roy S. Fogas, *Executive Vice-President*

Vice-Presidents:

James F. Barry
Edward Gorman
Richard H. McCarthey
Lawrence E. McGourty
William H. Muckley
John F. Riefler, Jr.
J. Frederick Rossell
William J. Smith

Harold R. Wickham, *Secretary*
H. Albert Brodin, *Treasurer*
Harold Christianson, *Assistant Controller*

Lives Next Door to Young Suburban America

Thom McAn
GIRLS
BOYS

Thom McAn is, by design, the shoe store for the young suburban family: husband, wife, teen-age and pre-teen children. This is a giant and growing customer group—and it influences the wants of all other consumers. At year-end there were 828 stores in 42 states, including Hawaii, and in Puerto Rico; most offer footwear for all the family in the booming, youthful suburbs.

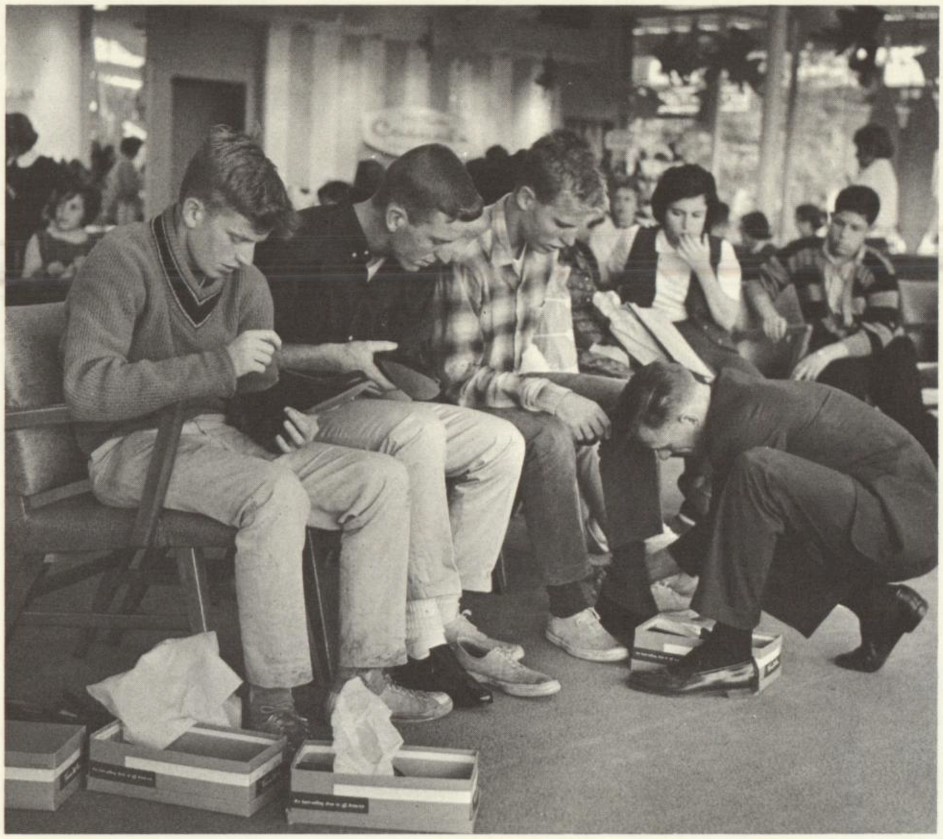
Thom McAn worked hard to get here. It meant a massive recasting, beginning a dozen years ago, of a chain of downtown stores with utility shoes for men and boys. It meant moving a stride ahead of America's economic, population, and cultural explosions.

In 1964 suburban growth continued: 23 stores were opened, mainly in high-traffic regional shopping centers. Six stores moved to improved sites; 37 stores were closed in areas of reduced traffic.

Thom McAn
FAMILY SHOE CENTER
OPEN TILL 9
A&P

BURDINE'S
Sunshine Fashion

Thom McAn shoes for men, the best-selling brand in America, have a vast potential among men without access to a Thom McAn store or who prefer to shop in other kinds of retail outlets. Early in 1964 a Dealer Division was established within the Thom McAn Shoe Company as a channel of distribution to this market. By the end of the year it was servicing accounts throughout the country—carefully selected independent shoe stores, men's wear shops, and department stores. Experience confirms that a strong dealership helps neighboring Thom McAn stores through greater total penetration of the market by the brand.



People with more income, education and leisure have new ideas about taste, quality and value. Thom McAn in 1964 greatly increased sales of luxury-grade Bootmasters for men, priced to $17 compared with $10 or less for the regular lines, and Premium Walk shoes for children. A group of Lady Bootmaster shoes for women, introduced late in the year, holds equal promise.

Thom McAn Fits Young Suburban America

Thom McAn's merchandise accent is on youth: youngsters and their youthful, active, informal parents.

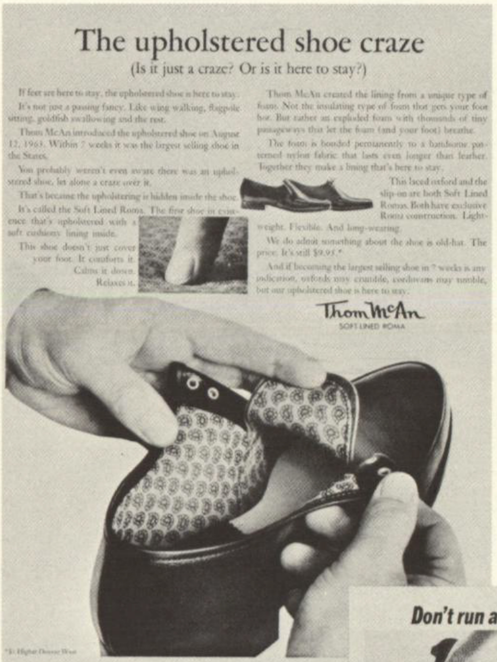
Teen-age shoes, specially styled with unique skill and empathy, get names and personalities: "Saturday Knights" for boys and "Saturday Eves" for girls in the Spring of 1964, "Voodoos" and "Voodoo Dolls" in the Fall. These are also themes excitingly promoted in the teen idiom.

For men, better things: Thom McAn's amazing invention, the Soft-Lined Roma, the shoe with the breathing foam "upholstery" inside that became the biggest selling shoe in America in 1964; more leisure-time casual styles; more imports.

Following a searching examination of its women's business, Thom McAn in 1964 redefined its young suburban customer and restyled and remerchandised the women's line accordingly—toward shoes at once more basic yet more youthful, casual, and fashionable for their setting. There was prompt and notable sales response.

For children, Thom McAn offers not only exceptionally well made shoes, many with virtually wearproof Dynasoles—but guaranteed Five Way Fit. Parents seek and deserve the confidence instilled by this conscientious and exclusive fitting service; it brings a steady flow of new customers.

womens shoes



The upholstered shoe craze

(Is it just a craze? Or is it here to stay?)

If feet are here to stay, the upholstered shoe is here to stay.

It's not just a passing fancy. Like wing walking, flagpole sitting, goldfish swallowing and the rest.

Thom McAn introduced the upholstered shoe on August 12, 1963. Within 7 weeks it was the largest selling shoe in the States.

You probably weren't even aware there was an upholstered shoe, let alone a craze over it.

That's because the upholstering is hidden inside the shoe.

It's called the Soft Lined Roma. The first shoe in existence that's upholstered with a soft cushiony lining inside.

This shoe doesn't just cover your foot. It comforts it. Calms it down. Relaxes it.

Thom McAn created the lining from a unique type of foam. Not the insulating type of foam that gets your foot hot. But rather an exploded foam with thousands of tiny passageways that let the foam (and your foot) breathe.

The foam is bonded permanently to a handsome patterned nylon fabric that lasts even longer than leather. Together they make a lining that's here to stay.

This laced oxford and the slip-on are both Soft Lined Romas. Both have exclusive Roma construction. Lightweight. Flexible. And long-wearing.

We do admit something about the shoe is old-hat. The price. It's still $9.95.*

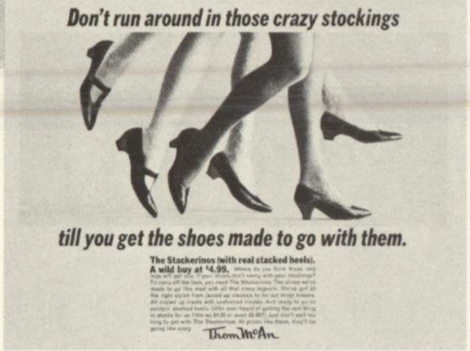
And if becoming the largest selling shoe in 7 weeks is any indication, oxfords may crumble, cordovans may tumble, but our upholstered shoe is here to stay.

Thom McAn
SOFT LINED ROMA

shoes
men's shoes

Radio is the route to teen-age listening, if you know the stations with the right disc jockey personalities and the right "sound". Thom McAn commercials have words and rhythms keyed to the youngsters' own definitions of music, humor, entertainment. Right, a Miami deejay visits a store to report on a trip he made with the Beatles.

Multiple full-page ads on men's shoes appeared in *Life*, which offers significant coverage in every Thom McAn community; women's shoe ads ran in community papers and special shoppers used by shopping center merchants for joint promotion.



Don't run around in those crazy stockings

till you get the shoes made to go with them.

The Stackerinos (with real stacked heels). A wild buy at $4.99.

Thom McAn

Thom McAn believes in full-service retailing for greatest customer satisfaction. Many dollars, hours and ideas are devoted to achieving the highest level of customer service. Shown is a periodic practice session at which field sales managers sharpen their skill in teaching Thom McAn Standards of Professional Selling.

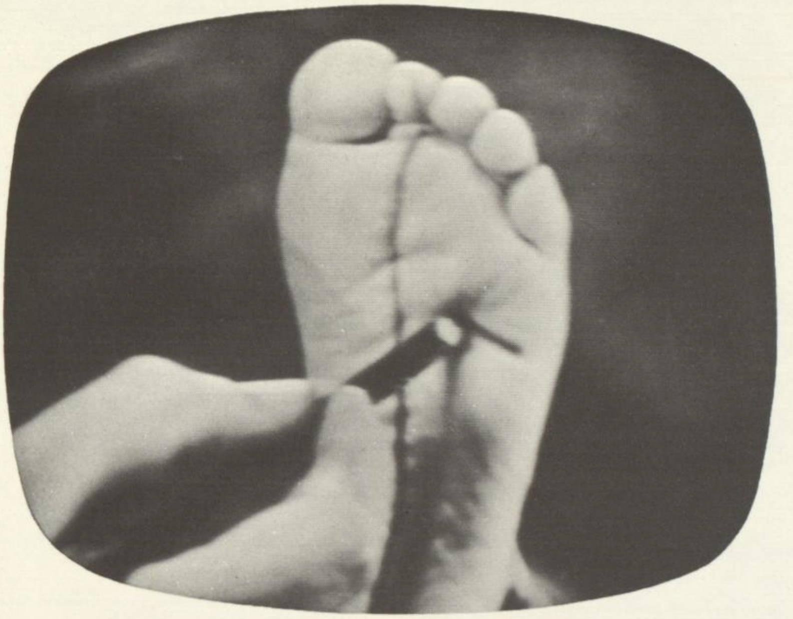
Thom McAn contributed all the men's and women's shoes worn by the United States team at the 1964 Olympics in Tokyo (the brand's third time at the Olympics). Always sports-oriented, Thom McAn knew the U.S. Committee needed more money and sensed widespread but untapped public support for the team. In cooperation with the Junior Chambers of Commerce of America, Thom McAn organized and staged an improbable cross-country "Run for the Money" to focus public attention on the Olympics and give people a chance to contribute money for the team. Through sun and rain, day and night for five weeks, some 10,000 volunteer runners relayed an Olympic Torch 3,500 miles from New York to the departing squad at Los Angeles. The run generated great public interest and enthusiasm, important publicity for Thom McAn—and nearly half a million dollars contributed to the Olympic Committee's $3 million Tokyo budget.

Olympic
Run for
the Money

◁ Jesse Owens and New York's Mayor Wagner put the Run on the road.

NEW IDEAS
in
SHOE IDEAS
are at
THOM McAN

Thom McAn
Thom McAn



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Thom McAn Talks with Young Suburban America

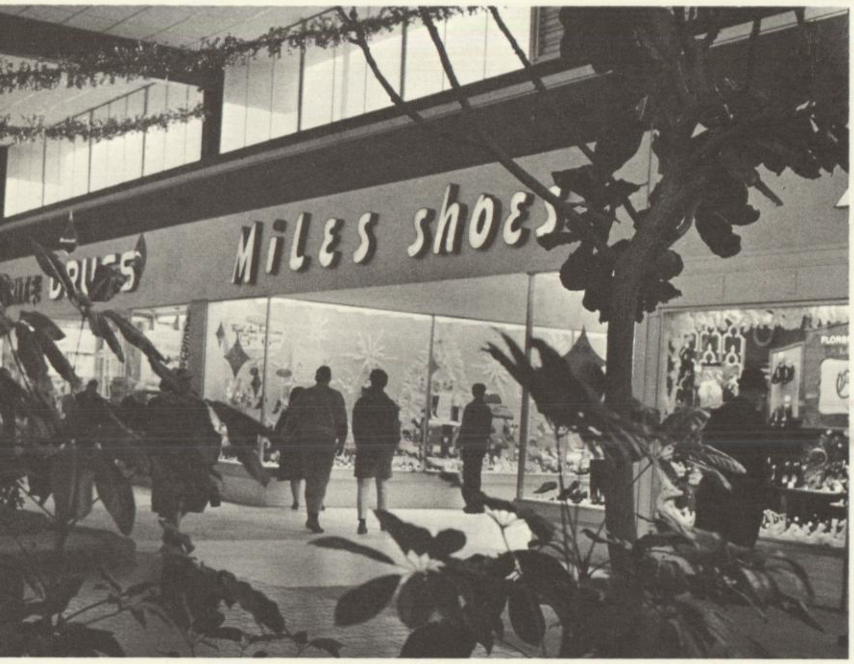
Thom McAn speaks to people in new and distinctive ways: unique advertising, novel promotion, creative community participation. And in some unexpected places. There is a warmth, a sense of humor, a feeling of excitement that reflect Thom McAn's own attitudes—and touch a responsive chord in countless people.

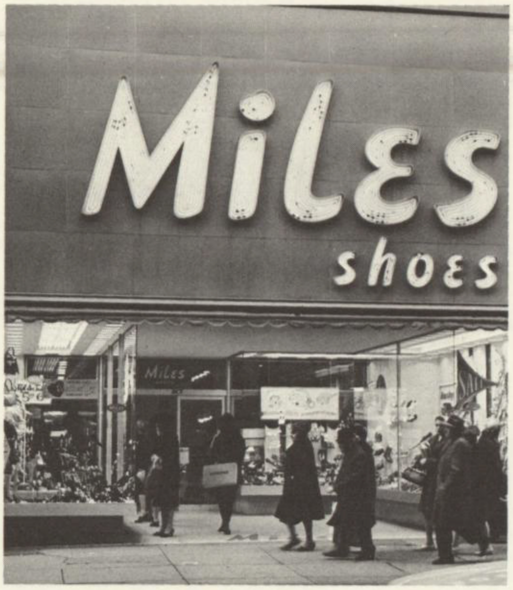
For young suburban adults, Thom McAn uses the reach and persuasion of television to cover its major markets. The "man in the shoe" takes you on a personal inspection tour inside the Soft-Lined Roma; a phenomenal number of men, measured by sales and continuous field research, followed up by trying and buying this shoe. A children's shoe commercial tells parents about Thom McAn's Five Way Fit; drawing the lines tickled the child and the commercial tickled America.

Thom McAn store windows are a powerful promotion and selling force. They are an invitation—and a pre-selection device: they make shopping both pleasant and easy. The high standards of Thom McAn window design anticipate the steady up-grading of customer preference. They present merchandise in an atmosphere of warmth, quality, and good taste. Often the displays relate specific styles to the scenes and ceremonies of suburban life; sketches by cartoonist William Steig did this in 1964.

Miles Knows the Main Street Shopper

Miles stores are familiar in top traffic locations of major markets throughout the Middle Atlantic states. Miles Shoes and its subsidiaries operated 294 of these family shoe stores at year end. The chain is particularly strong in New York: a third of its units are in the five boroughs, and more than half of all Miles stores serve the 18 million people of the metropolitan complex. This concentration is a great advantage in aspects of operation as diverse as styling, warehousing and promotion.





Miles Shoes

Directors:

Murray M. Rosenberg, *Chairman*
Nat Antler
Kenneth K. Berland
Meyer Bogorff
Arthur B. Gold
Spencer D. Oettinger
Francis C. Rooney, Jr.
Alfred L. Rose
Miles Rosenberg
Samuel H. Rosenberg

Officers:

Murray M. Rosenberg,
Chairman of the Board
Spencer D. Oettinger, *President*
Samuel H. Rosenberg,
First Vice-President
Kenneth K. Berland,
Vice-President & Treasurer

Vice-Presidents:

Nat Antler
Meyer Bogorff
Jack Entel
Arthur B. Gold
Robert C. Kuhn
Jack Lockspeiser
Elliott Lubin
Frank Silva

Miles Rosenberg, *Secretary*

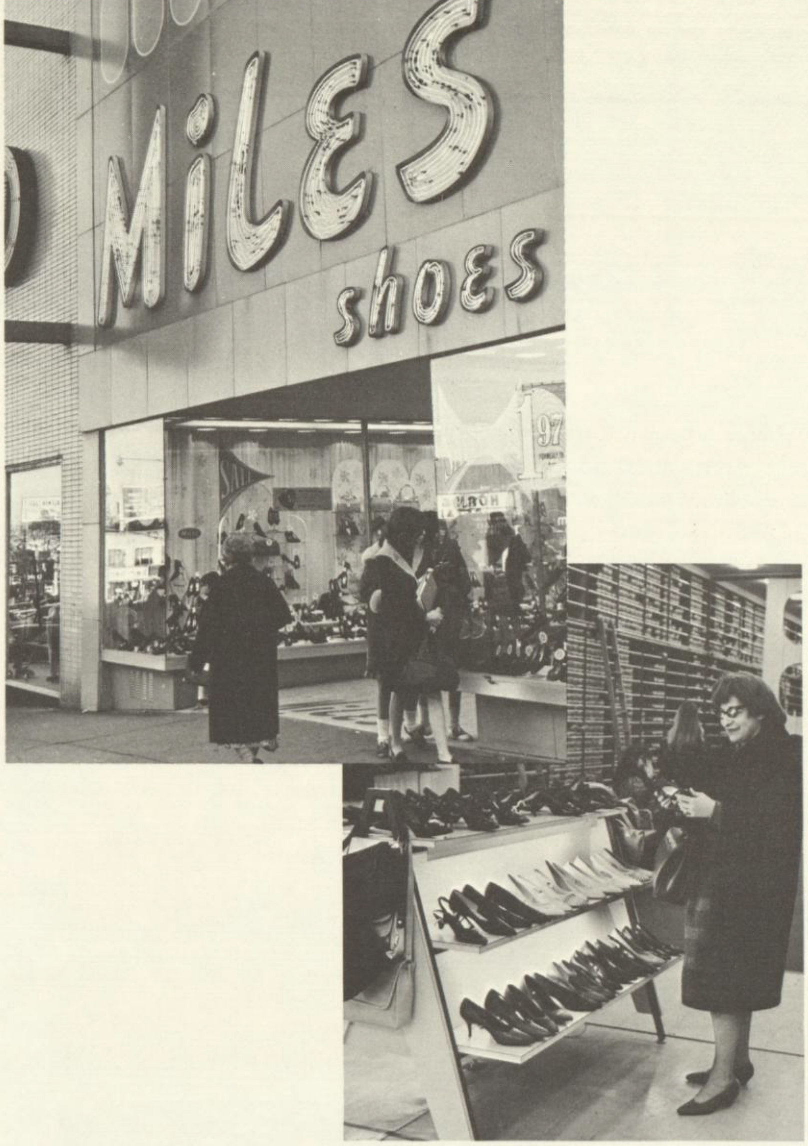
Five new Miles units opened during 1964. Modernization of existing stores continued vigorously. Seven stores were closed during the year.

—and Her Family

Miles has specialized with great success in popular-price shoes for the fashion-conscious woman and her children. Whether that customer lives in a city apartment or a suburban split level, she takes a high-style approach to her clothes and she is very much concerned with what is new and important in fashion.

In its shopping center stores as well as on Main Street, Miles appeals to and satisfies this demanding shopper by maintaining a wide style assortment, by quick introduction of all the newest style ideas of interest in the popular-price field, by fast style turn-over, and by a steady spicing of the line with intriguing footwear novelties. High style also marks shoes for teenage girls, a most important customer group to Miles stores.

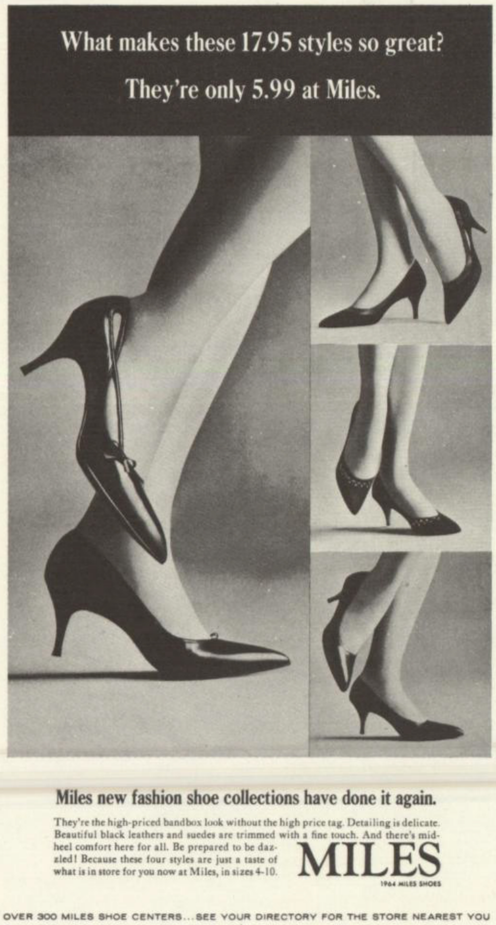
The corollary of high female traffic is high juvenile traffic. Miles sells a large volume of children's shoes. Quality of construction and care in fitting build family patronage. Men's shoe volume, while a relatively small part of total sales, continued its consistent increase in 1964.



Miles Concentrates Promotion

Miles promotion during 1964 was concentrated on its major merchandise categories—women's footwear, shoes for the teen girl, and juvenile footwear. Women's merchandise, from high boots to high-heel pumps, appeared frequently in newspaper ads. Children's shoes were also advertised in newspapers during the three key seasons of Easter, school opening, and Christmas.

Advertising to teen girls was programmed on carefully selected radio stations and was coordinated with special window displays. A new window presentation of teen merchandise was successfully tested and will be installed throughout the chain.



What makes these 17.95 styles so great?

They're only 5.99 at Miles.

Miles new fashion shoe collections have done it again.

They're the high-priced bandbox look without the high price tag. Detailing is delicate. Beautiful black leathers and suedes are trimmed with a fine touch. And there's mid-heel comfort here for all. Be prepared to be dazzled! Because these four styles are just a taste of what is in store for you now at Miles, in sizes 4-10.

MILES

1964 MILES SHOES

OVER 300 MILES SHOE CENTERS... SEE YOUR DIRECTORY FOR THE STORE NEAREST YOU

FORMERLY TO 4.99
Miles SHOES
Miles

$1.97
Mens & Boys
STAG

The upgrading of customer preferences was again evident in 1964. Miles anticipated and responded to these changes in many ways, including the successful introduction of two new premium merchandise lines: The Ambassador group of shoes for men, and Milestride Supreme styles for children. Forward planning counts on continuation of this trend.

SALE
SALE
$1.97
Miles

Meldisco Serves the Self-Service Customer

The self-service promotional department store—the "discount store"—has established a secure position in retailing. Just about everybody at every economic level shops there sometime for something. These stores attract traffic and they sell—by self-service—a very considerable number of shoes.

This market is served by the Meldisco subsidiaries. Meldisco shoe departments began operating in discount stores in 1961 and have expanded steadily since; 25 new subsidiaries were opened during 1964. There were 126 departments at year end — the second largest operation in this field. Meldisco departments lead the field in introducing new methods of operation, and in grading up self-service techniques to stay in step with customer preferences.

Fashion
Fashion

Meldisco departments sell shoes of every kind for all members of the family. Most of the men's and boys' shoes are supplied by Melville's manufacturing divisions.

Meldisco promotes aggressively in cooperation with host stores. This includes advertising and traffic-building merchandising events—for example, a "special" that sold 3500 pairs of sneakers in five hours in a single store.

Fashion
SHOES DYED FREE

Two Manufacturing

Production efficiency and operator comfort are built into the machine layout in the new Blue Ridge plants.

J. F. McElwain Company

Directors:

Robert C. Erb, *Chairman*
John R. De Witt
Donald W. Erion
Francis H. Gleason
James C. Mackay
A. Byron Mansfield
Ward Melville
Seward M. Paterson
Francis C. Rooney, Jr.
Frederic E. Shaw
Richard E. West

Officers:

Robert C. Erb,
Chairman of the Board
Francis H. Gleason,
President & Treasurer
Richard E. West,
Executive Vice-President

Vice-Presidents:

John R. De Witt
Donald W. Erion
James C. Mackay
Seward M. Paterson
Frederic E. Shaw

A. Byron Mansfield,
Controller & Secretary
Richard O. Wasson,
Assistant Controller

Blue Ridge Shoe Company

Directors:

Robert C. Erb, *Chairman*
John R. De Witt
Francis H. Gleason
Arthur B. Gold
A. Byron Mansfield
Francis C. Rooney, Jr.
Richard E. West

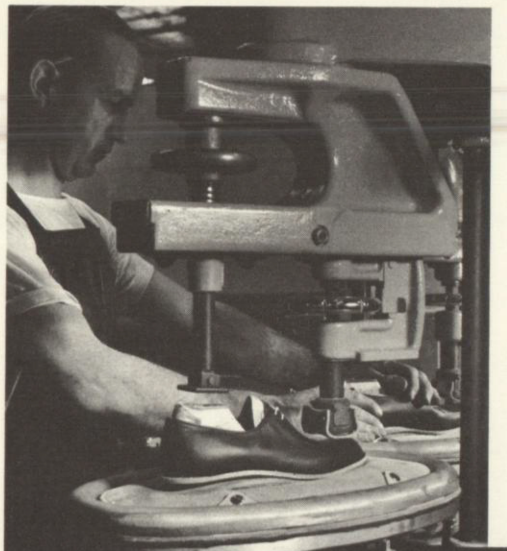
Officers:

Robert C. Erb,
Chairman of the Board
Francis H. Gleason, *President*
Richard E. West,
Executive Vice-President

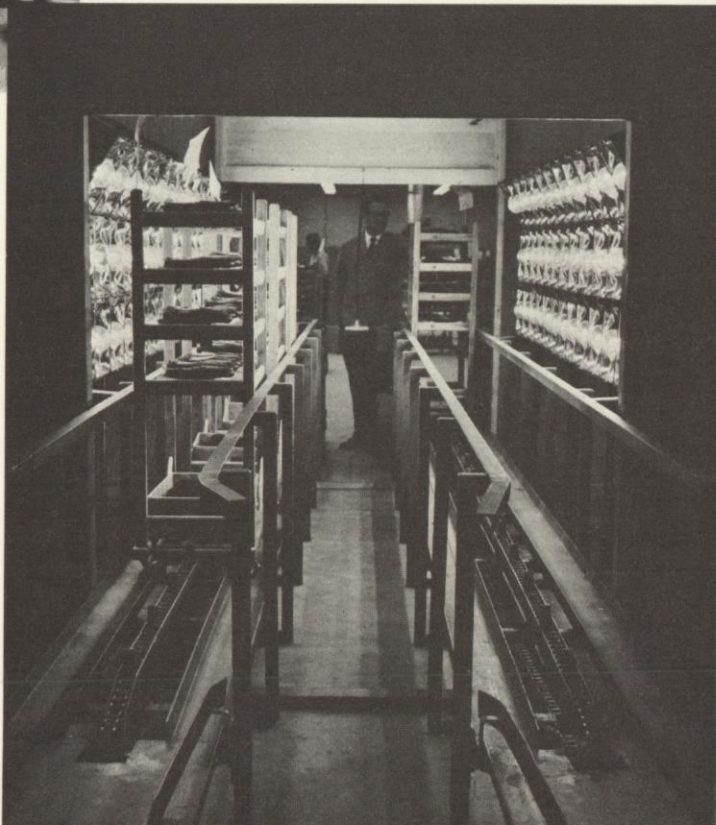
Vice-Presidents:

Charles S. Bradley
John R. De Witt

A. Byron Mansfield,
Secretary & Treasurer



Key to Roma process, used in more than half of all McElwain production in 1964, is adhesive bonding of upper to sole, meticulously controlled shoe by shoe.



Right: Developed by McElwain, this new conveyorized thermal chamber conditions Roma process adhesives in minutes rather than the hours required previously. Other heat applications engineered and introduced by McElwain improve the shape-retaining qualities of shoes.

Divisions Make What Men and Boys Want to Buy

The J. F. McElwain Company division, with eight New England plants and 3,000 employees, makes most of the men's and boys' shoes sold by Thom McAn, Miles and Meldisco. Continuous research in production techniques and quality control keeps these factories technically advanced and exceptionally efficient.

Among industry-wide developments pioneered by McElwain are the Roma process, which uses new adhesives for sole attachment and so makes possible today's lighter and more finely detailed shoe styles; the molded one-piece sole and heel for superior wear in children's shoes; and the method of lining shoes with foam and nylon, as in Thom McAn's Soft-Lined Roma.

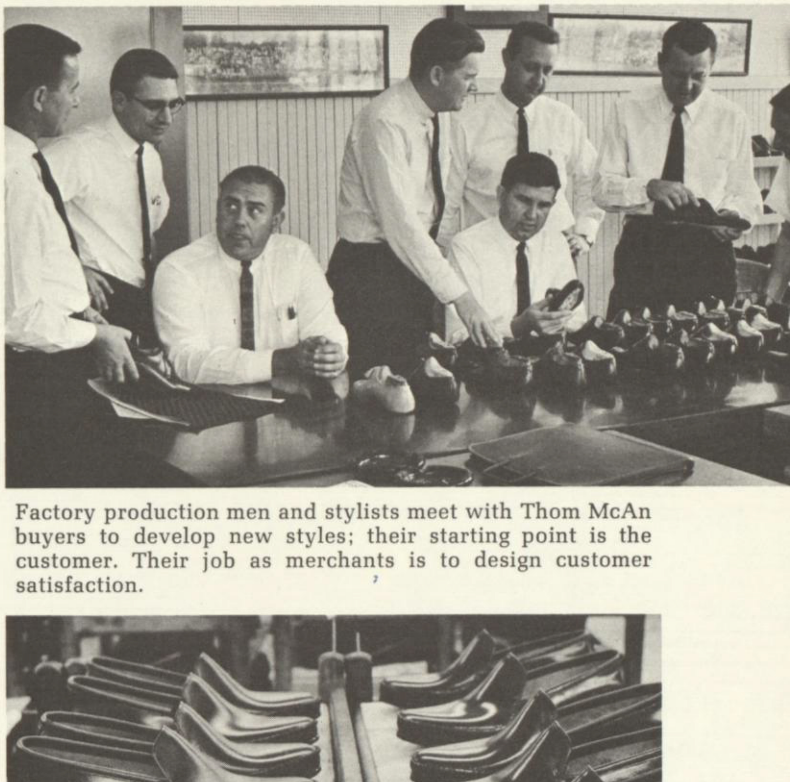
During 1964 all plants worked at or near capacity.

REMEMBER...
OUR CUSTOMER IS
THE NEXT INSPECTOR!
Thom McAn

The Blue Ridge Shoe Company division operates two factories with 700 employees in North Carolina. The Wilkesboro plant, opened in 1961, specializes in boys' shoes. The Boone plant makes hand-sewn moccasin types—a major style group in dress shoes for young men that grows more important year by year. This plant opened in 1963 and topped planned production rates during 1964; production will increase still more in 1965.

Both plants, while financed by local development groups, were built to Melville specifications in all respects and incorporate the most advanced manufacturing methods.

Every piece of shoe upper leather is minutely inspected before cutting with dies like those at lower right.



Factory production men and stylists meet with Thom McAn buyers to develop new styles; their starting point is the customer. Their job as merchants is to design customer satisfaction.

Moccasins with handsewn fronts: in much of the country, the "in" look around the juke box.

Shoes for a Nation

Stores of Melville Shoe Corporation and subsidiary companies as of December 31, 1964

THOM McAN—828 stores in 492 Cities in 42 States, District of Columbia and Commonwealth of Puerto Rico (Leased Department*, Agency**)

MILES SHOES—294 stores in 172 Cities in 14 States and the District of Columbia

MELDISCO—126 departments in 105 Cities in 27 States and Puerto Rico

MELCREST—2 stores—Rochester, N.Y. and Cherry Hill, N.J.

Thom McAn STORES ○

ALABAMA (9)
Birmingham (2)
Florence
Huntsville
Mobile (2)
Montgomery (2)
Prichard

ARIZONA (8)
Mesa
Phoenix (5)
Tucson (2)

CALIFORNIA (67)
Alameda
Alhambra
Arcadia
Buena Park
Burbank
Canoga Park
Compton
Corte Madera
Costa Mesa
Daly City
East Los Angeles
El Cajon
Fontana
Fullerton
Gardena
Garden Grove
Glendale
Hawthorne
Hayward (2)
Hollywood
Huntington Park
Lakewood
Long Beach (2)
Los Angeles (4)
Modesto
Mountain View
Napa
National City
North Hollywood
Norwalk
Oakland
Palo Alto
Pasadena
Pomona
Redwood City
Reseda
Richmond
Riverside
Sacramento (3)
San Bernardino
San Diego (4)
San Francisco (3)
San Jose (2)
San Leandro
San Mateo
Santa Ana
Santa Barbara
Santa Monica
Torrance
Van Nuys (2)
Ventura
West Covina
Whittier

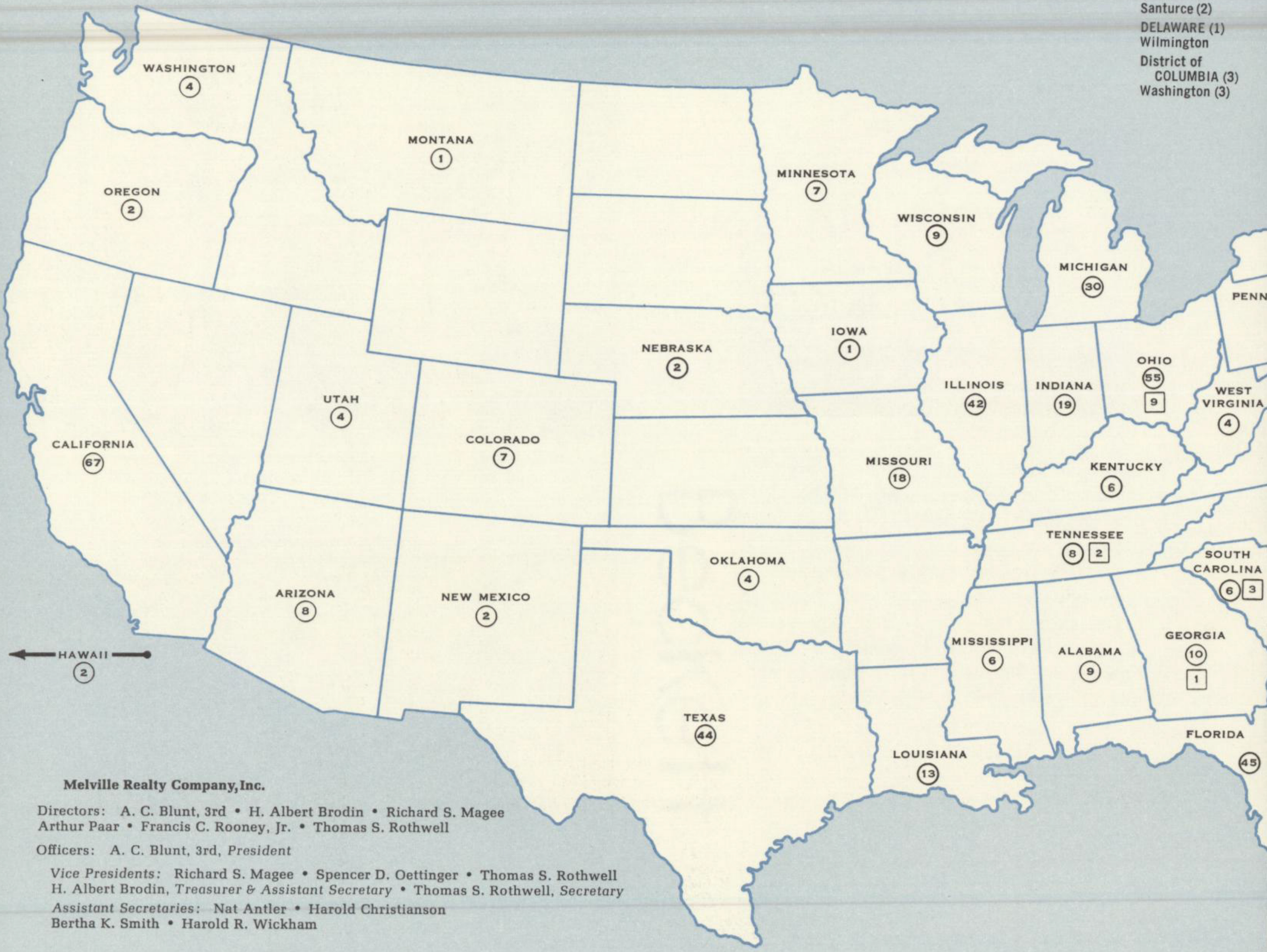
COLORADO (7)
Colorado Springs
Denver (4)
Lakewood
Westminster

CONNECTICUT (17)
Bridgeport
Derby
East Hartford
Hamden
Hartford
Meriden
Middletown
Milford
New Britain
New Haven
New London
South Manchester
South Norwalk
Stamford
Trumbull
Waterbury (2)

Commonwealth of PUERTO RICO (12)
Arecibo
Bayamon
Caguas
Carolina
Ponce (3)
Rio Piedras (2)
San Juan
Santurce (2)

DELAWARE (1)
Wilmington

District of COLUMBIA (3)
Washington (3)


WASHINGTON
4
MONTANA
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OREGON
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MINNESOTA
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WISCONSIN
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MICHIGAN
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PENN
IOWA
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NEBRASKA
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OHIO
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WEST VIRGINIA
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ILLINOIS
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INDIANA
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UTAH
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COLORADO
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CALIFORNIA
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MISSOURI
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KENTUCKY
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TENNESSEE
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SOUTH CAROLINA
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OKLAHOMA
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ARIZONA
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NEW MEXICO
2
MISSISSIPPI
6
ALABAMA
9
GEORGIA
10
1
HAWAII
2
TEXAS
44
FLORIDA
45
LOUISIANA
13

Melville Realty Company, Inc.

Directors: A. C. Blunt, 3rd • H. Albert Brodin • Richard S. Magee
Arthur Paar • Francis C. Rooney, Jr. • Thomas S. Rothwell

Officers: A. C. Blunt, 3rd, *President*

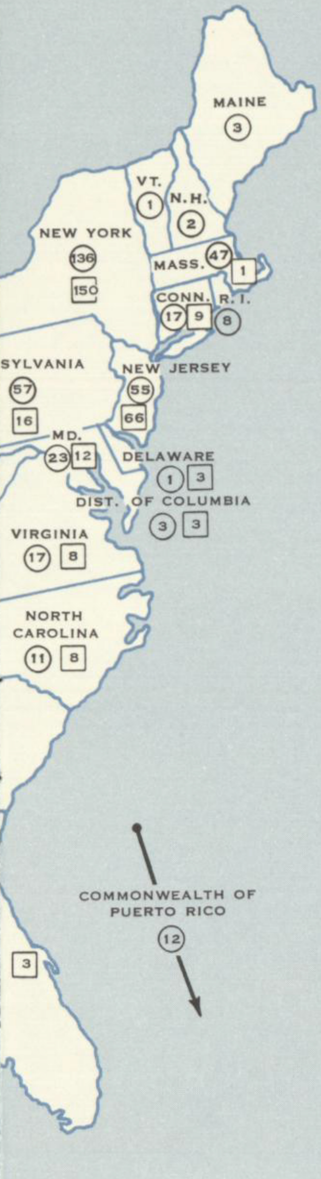
Vice Presidents: Richard S. Magee • Spencer D. Oettinger • Thomas S. Rothwell
H. Albert Brodin, *Treasurer & Assistant Secretary* • Thomas S. Rothwell, *Secretary*
Assistant Secretaries: Nat Antler • Harold Christianson
Bertha K. Smith • Harold R. Wickham

FLORIDA (45)
Bradenton
Coral Gables
Daytona
Fort Lauderdale (3)
Fort Pierce
Gainesville
Hialeah
Hollywood
Homestead
Jacksonville (5)
Key West
Lakeland (2)
Largo
Melbourne
Miami (8)
Miami Beach
Orlando (2)
Panama City
Pensacola (2)
Sarasota
St. Petersburg (2)
Tallahassee (2)
Tampa (3)
West Palm Beach
Winter Haven

GEORGIA (10)
Albany
Augusta (2)
Atlanta
Columbus
East Point
Macon
Marietta
Rome
Savannah

HAWAII (2)
Honolulu (2)

ILLINOIS (42)
Berwyn
Bloomington
Chicago (21)
Chicago Heights
Decatur
Glen Ellyn
Harvey
Hillside
Joliet
Kankakee
Moline
Morton Grove
Mt. Prospect
Norridge
Peoria
Quincy
Rockford
Rock Island
Springfield (2)
Villa Park
Waukegan



INDIANA (19)
Anderson
Elkhart
Evansville
Fort Wayne (2)
Gary (2)
Hammond (2)
Indianapolis (5)
Lafayette
Mishawaka
Muncie
Richmond
South Bend

IOWA (1)
Davenport

KENTUCKY (6)
Covington
Lexington
Louisville (2)
Owensboro
Paducah

LOUISIANA (13)
Baton Rouge (3)
Gretna
Lake Charles (2)
Metairie (2)
New Orleans (4)
Shreveport

MAINE (3)
Lewiston
Portland (2)

MARYLAND (23)
Baltimore (11)
Carney
Cumberland
Forestville
Frederick
Glen Burnie (2)
Hagerstown (2)
Hyattsville
Pikesville
Rockville
West Hyattsville

MASS. (47)
Boston (9)
  Allston
  Boston (2)
  Dorchester
  East Boston
  Hyde Park
  Roslindale
  Roxbury
  South Boston
Brockton
Cambridge (2)
Chelsea
Everett
Fall River (2)
Fitchburg
Framingham
Haverhill
Hingham
Holyoke
Lawrence
Lowell
Lynn
Malden
Medford (2)
Natick
New Bedford
Norwood**
Peabody
Pittsfield
Quincy
Revere
Salem
Saugus
Shrewsbury
Somerville
Springfield (3)
Stoneham
Waltham
Woburn
Worcester (3)

MICHIGAN (30)
Adrian
Ann Arbor
Battle Creek
Dearborn
Detroit (6)
East Detroit
Ferndale
Flint
Grand Rapids
Inkster
Jackson
Kalamazoo
Lansing (2)
Lincoln Park
Livonia (2)
Monroe
Muskegon
Pontiac (2)
Port Huron
Roseville
Saginaw
Wyandotte

MINNESOTA (7)
Bloomington
Crystal
Minneapolis (2)
St. Paul (3)

MISSISSIPPI (6)
Biloxi*
Hattiesburg
Jackson
Meridian
Natchez
Vicksburg

MISSOURI (18)
Florissant
Grandview
Jennings
Kansas City (4)
Kirkwood
Maplewood
Mehlville
St. Ann
St. Joseph
St. Louis (6)

MONTANA (1)
Great Falls

NEBRASKA (2)
Omaha (2)

N. HAMP. (2)
Manchester
Portsmouth

NEW JERSEY (55)
Asbury Park
Atlantic City
Bayonne
Bergenfield
Bloomfield
Camden
Clifton
Dover
East Brunswick
Elizabeth
Fords
Hackensack (2)
Harrison
Hazlet
Hoboken
Irvington
Jersey City (4)
Linden
Maple Shade
Metuchen
Middleton
Moorestown
Morristown
Mt. Ephraim
Neptune
Newark (4)
New Brunswick
North Arlington
North Bergen
Orange
Paramus (3)
Passaic
Paterson
Perth Amboy
Plainfield
Ramsey
Red Bank
Somerville
Trenton
Union (2)
Union City
Watchung
Wayne
West New York
West Orange

NEW MEXICO (2)
Albuquerque (2)

NEW YORK (136)
Albany (2)
Amherst
Babylon
Bay Shore (2)
Binghamton
Buffalo (4)
Cheektowaga
Clarence
Commack
Dewitt
Freeport
Hempstead
Hicksville
Huntington (2)
Jamestown
Kingston
Lake Success
Levittown
Lynbrook
Manhasset
Massapequa Park
Massena
Mount Vernon
Newburgh (2)
New Hartford
New Rochelle
New York (80)
  Manhattan (16)
  Bronx (16)
  Brooklyn (27)
  Queens (18)
  Richmond (3)
Niagara Falls (2)
Patchogue
Peekskill (2)
Plainview
Port Chester
Poughkeepsie (2)
Rochester (2)
Rockville Centre
Roosevelt Field
Schenectady
Syracuse
Tonawanda
Troy
Utica (2)
Valley Stream
White Plains
Yonkers (2)

N. CAROLINA (11)
Asheville
Charlotte (2)
Durham
Greensboro
High Point
Jacksonville
Raleigh
Wilmington
Winston-Salem (2)

OHIO (55)
Akron
Alliance
Barberton
Canton (2)
Cincinnati (5)
Cleveland (10)
Cleveland Heights
Columbus (6)
Cuyahoga Falls
Euclid
Fairborn
Hamilton (2)
Lima
Lorain (2)
Lyndhurst
Mansfield (2)
Maple Heights
North College Hill
North Olmsted
Norwood
Parma Heights
Portsmouth
Sandusky
Springfield
Steubenville
Tallmadge
Toledo (3)
Warren (2)
Youngstown (2)

OKLAHOMA (4)
Midwest City
Oklahoma City (2)
Tulsa

OREGON (2)
Portland (2)

PENN. (57)
Abington
Allentown
Altoona
Baden
Beaver Falls
Braddock
Bridgeville
Cheltenham
Chester
Erie (2)
Greensburg
Hazleton
Homestead
Johnstown
Langhorne
Lemoyne
Levittown
McKeesport (2)
Monroeville
Natrona Heights
Newcastle
New Kensington
Philadelphia (17)
Pittsburgh (5)
Pottsville
Reading
Scranton
Sharon
Shillington
Uniontown
Upper Darby
Wilkes-Barre
Woodlyn
York (2)

RHODE ISLAND (8)
Newport
Pawtucket (2)
Providence (2)
Westerly
West Warwick
Woonsocket

S. CAROLINA (6)
Charleston
Charleston Heights
Columbia
Greenville
Spartanburg (2)

TENNESSEE (8)
Chattanooga
Johnson City
Knoxville
Madison
Memphis (4)

TEXAS (44)
Abilene
Austin (2)
Beaumont
Brownsville
Corpus Christi (3)
Dallas (5)
El Paso (3)
Fort Worth (2)
Galveston
Houston (9)
Laredo
McAllen
Midland
Pasadena
Port Arthur
San Antonio (7)
Tyler
Victoria
Waco
Wichita Falls

UTAH (4)
Ogden
Provo
Salt Lake City (2)

VERMONT (1)
Burlington

VIRGINIA (17)
Alexandria
Annandale
Falls Church
Hampton
Lynchburg
Newport News
Norfolk (4)
Portsmouth
Richmond (4)
Roanoke
Warwick

WASHINGTON (4)
Everett
Seattle
Spokane (2)

W. VIRGINIA (4)
Charleston
Huntington
Parkersburg
Wheeling

WISCONSIN (9)
Appleton
Madison
Milwaukee (5)
Oshkosh
West Allis

MiLES
STORES ☐

CONNECTICUT (9)
Bridgeport
Hamden
Meriden
Milford
South Norwalk
Stamford
Trumbull
Waterbury
West Hartford

DELAWARE (3)
Newark
Wilmington (2)

District of
  COLUMBIA (3)
Washington (3)

FLORIDA (3)
Coral Gables
Jacksonville
Orlando

GEORGIA (1)
Marietta

MARYLAND (12)
Baltimore (3)
District Heights
Dundalk
Essex
Glen Burnie
Hyattsville
Laurel
Prince Georges
  County
Rockville
Wheaton

MASS. (1)
Pittsfield

NEW JERSEY (66)
Asbury Park
Audubon
Bayonne
Belleville
Bergenfield
Bloomfield
Camden
Clifton (2)
East Paterson
Eatontown
Edison Township
Elizabeth
Englewood
Fairlawn
Freehold
Hackensack
Hamilton Township
Hoboken
Irvington
Jersey City (7)
Levittown
Linden
Long Branch
Moorestown
Morristown
Newark (5)
New Brunswick
North Brunswick
Orange
Paramus (2)
Passaic
Paterson
Pennsauken
Perth Amboy
Phillipsburg
Plainfield
Pompton Lakes
Raritan Township
Rahway
Ramsey
Red Bank
Somerville
South River
Springfield
Toms River
Trenton (2)
Union
Union City
Verona
Vineland
Watchung
West Orange
Westwood

NEW YORK (150)
Albany (3)
Amherst
Amsterdam
Babylon (2)
Bethpage
Centereach
Commack
Delmar
East Huntington
East Syracuse
Eggertsville
Elmira
Franklin Square
Freeport
Glen Cove
Glens Falls
Gloversville
Greenburgh
Great Neck
Hempstead
Hicksville (2)
Huntington
Kingston
Lake Success
Latham
Levittown (2)
Massapequa
Middletown
Mount Vernon
Newburgh
New Cassel
New Hyde Park
New Rochelle
New York (91)
  Manhattan (22)
  Bronx (16)
  Brooklyn (29)
  Queens (22)
  Richmond (2)
Niagara Falls
Patchogue (2)
Peekskill
Port Chester
Poughkeepsie (2)
Riverhead
Rochester (2)
Roosevelt Field
Schenectady
Troy
Utica
Valley Stream
Wantagh
West Islip
West Seneca
White Plains
Yonkers (2)

N. CAROLINA (8)
Asheville
Charlotte (2)
Durham
Greensboro
Hickory
Wilson
Winston-Salem

OHIO (9)
Cleveland (2)
Euclid
Maple Heights
Medina
Parma (2)
University Heights
Willowick

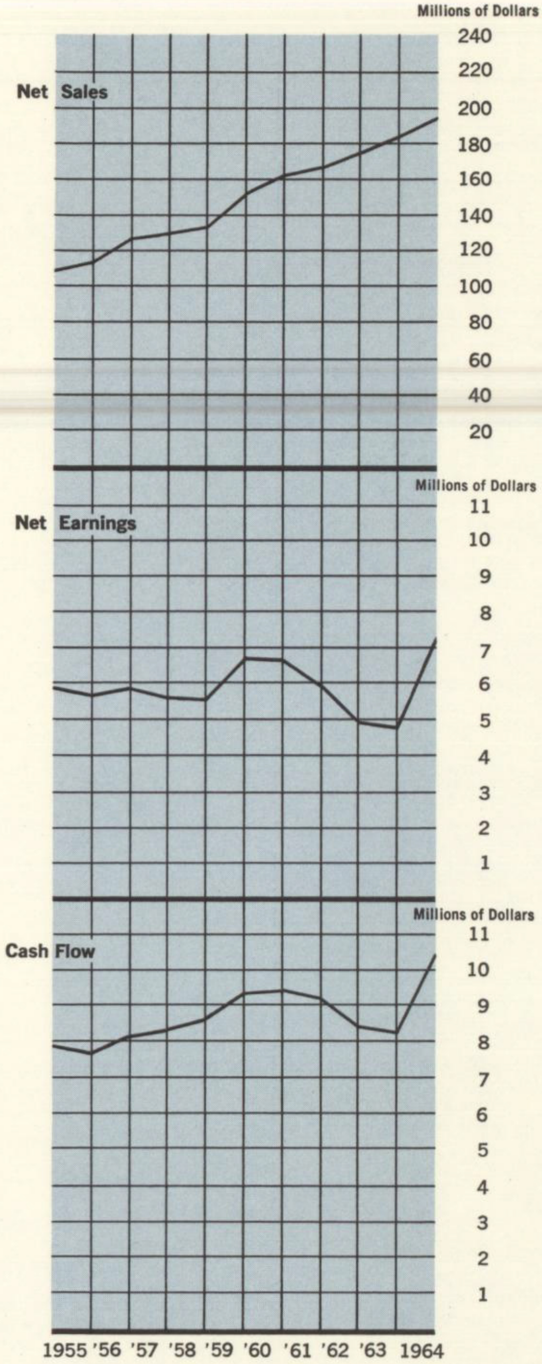
PENN. (16)
Bethlehem
Broomal
Easton
Erie
Harrisburg
Havertown
King of Prussia
Meadville
Norristown
Philadelphia
Pottsville
Scranton (2)
Wilkes-Barre
Williamsport
York

S. CAROLINA (3)
Columbia
Florence
Greenville

TENNESSEE (2)
Chattanooga (2)

VIRGINIA (8)
Charlottesville
Clarendon
Danville
Falls Church
Harrisonburg
Lynchburg
Roanoke
Springfield

Financial Review



Earnings

Net earnings in 1964 amounted to $7,110,962 or $2.35 per share. Compared with 1963 net earnings of $4,814,257 or $1.52 per share, net income in 1964 increased $2,296,705 or 47.7%.

The net earnings for 1964 were the highest in the company's history.

Dividends

During 1964, the company paid a dividend on common stock of $.80 per share. In January 1965, the quarterly dividend on common stock was increased from $.20 to $.25 per share. This increase raised the dividend to an annual rate of $1.00.

Sales

Net sales advanced to $195,170,712 for the year 1964, an increase of 7.0% over the net sales for 1963 of $182,403,253.

The net sales for 1964 were the highest in the history of the company.

Property, Plant, and Equipment

Capital expenditures for the year 1964 amounted to $2,046,351 which is less than the $2,356,124 expended in 1963. Depreciation charges during the year 1964 of $3,272,223 compared to $3,308,102 in 1963.

Cash Flow

Earnings on a cash flow basis, net earnings plus depreciation, amounted to $3.53 per share for the year 1964 compared to $2.71 per share for the previous year.

Capital Stock

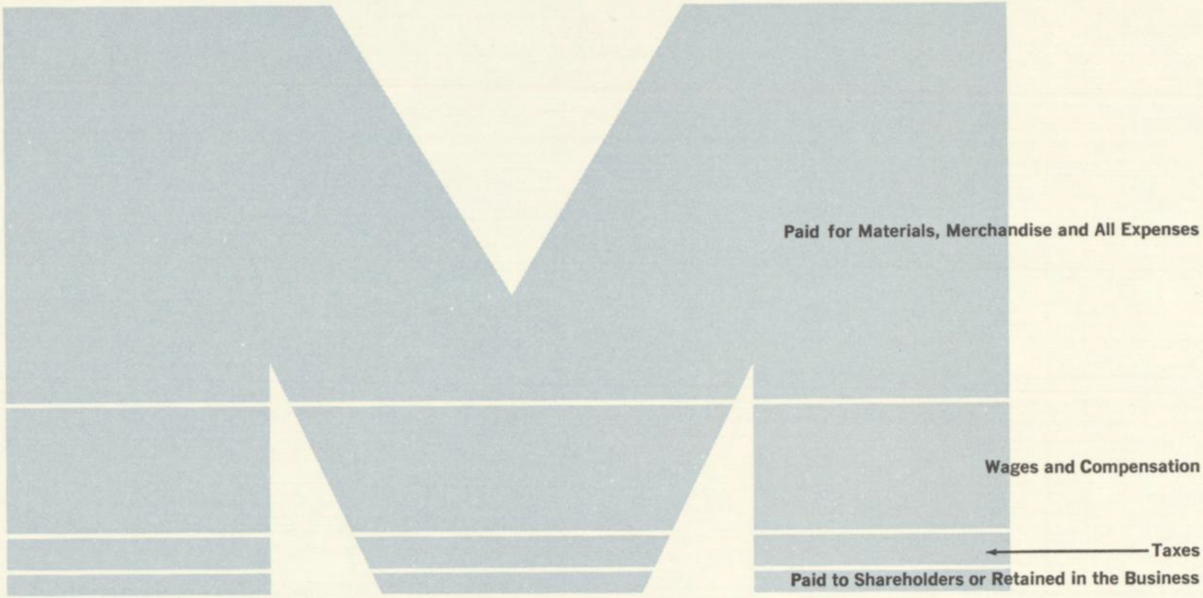
In January 1965, the Board of Directors voted to call for redemption on March 1, 1965, at $100 per share plus accrued dividends, the outstanding issue of $4.75 Preferred Stock, Series A. Notices of redemption were mailed to Series A preferred stockholders on January 8, 1965.

The issue of $4.00 Preferred Stock, Series B, continues outstanding.

Distribution of Sales Revenue

	1964	1963
Received from the sale of products	$195,170,712	$182,403,253
Paid for materials, merchandise and all expenses, exclusive of taxes and other amounts paid to or for the benefit of employees	133,692,542	127,629,413
Remainder	61,478,170	54,773,840
This was divided as follows:		
Wages and compensation	44,305,240	41,767,766
Taxes	10,061,968	8,191,817
Paid to shareholders or retained in the business	7,110,962	4,814,257

In 1964 after payment for materials, merchandise, taxes and other necessary expenses, 86% of the balance went to 8,200 employees and 14% was paid to shareholders or retained in the business.



Melville Shoe Corporation and Subsidiary Companies

ASSETS

	1964	1963
Current assets:		
Cash	$19,604,090	$11,634,741
Accounts receivable, less provision for possible losses	1,815,596	2,260,134
Inventories—at lower of cost (approximately 16% valued at lifo) or market, principally by the retail method	36,204,725	34,819,507
Prepaid expenses	1,077,266	1,068,102
Total current assets	58,701,677	49,782,484
Property, plant, equipment and leasehold improvements, at cost:		
Land	1,200,587	1,363,572
Buildings	3,942,981	3,985,003
Machinery and equipment	3,991,379	3,522,902
Store and office fixtures, improvements to leased properties and miscellaneous equipment	38,031,987	38,445,373
	47,166,934	47,316,850
Less:		
Accumulated depreciation and amortization (note 1)	31,136,587	29,389,669
Net property, plant, equipment and leasehold improvements	16,030,347	17,927,181
Unamortized debt discount and expense	227,508	242,184
	$74,959,532	$67,951,849

See accompanying notes to financial statements.

Statement of Consolidated Financial Condition

as of December 31, 1964 with comparative figures for 1963

LIABILITIES	**1964**	**1963**
Current liabilities:		
Accounts payable and accrued expenses	$11,446,500	$ 9,961,021
Federal income taxes	5,142,671	3,051,317
Current installments on long-term debt	684,000	682,000
Total current liabilities	17,273,171	13,694,338
Long-term debt:		
4⁷/₈% Debentures, due 1980 (annual sinking fund requirement $600,000)	10,200,000	10,800,000
3¹/₂% Promissory Note, due 1984, payable in quarterly installments	2,244,000	2,328,000
	12,444,000	13,128,000
Provision for retirement payments, less related Federal income taxes	1,491,596	1,271,305
Deferred Federal income taxes, applicable to accelerated depreciation deducted for tax purposes	1,383,127	1,454,823
SHAREHOLDERS' EQUITY		
Capital Stock (notes 2 and 3)		
Preferred stock:		
Series A, $4.75 dividend	1,606,800	1,606,800
Series B, $4.00 dividend	13,193,900	13,193,900
Common stock	12,100,481	12,100,481
	26,901,181	26,901,181
Retained earnings	16,728,865	12,397,054
	43,630,046	39,298,235
Less cost of preferred shares held in treasury	1,262,408	894,852
	42,367,638	38,403,383
	$74,959,532	$67,951,849

Commitments (note 4)

Statement of Consolidated Earnings and Retained Earnings

Year ended December 31, 1964 with comparative figures for 1963

	1964	1963
Net sales	$195,170,712	$182,403,253
Cost of sales and store operating, selling, general and administrative expenses (exclusive of the following deductions)	178,049,993	169,165,441
	17,120,719	13,237,812
Deduct:		
Depreciation and amortization	3,272,223	3,308,102
Employees' retirement plans	972,419	594,595
Interest charges	690,074	896,335
	4,934,716	4,799,032
	12,186,003	8,438,780
Other income—net	150,959	23,477
Earnings before Federal income taxes	12,336,962	8,462,257
Provision for Federal income taxes	5,226,000	3,648,000
Net earnings	7,110,962	4,814,257
Retained earnings at beginning of year	12,397,054	11,778,926
	19,508,016	16,593,183
Deduct cash dividends paid:		
Preferred stock, Series A, $4.75 a share	69,260	72,253
Preferred stock, Series B, $4.00 a share	477,526	496,208
Common stock, $.80 a share; 1963 $1.30 a share	2,232,365	3,627,668
	2,779,151	4,196,129
Retained earnings at end of year	$ 16,728,865	$ 12,397,054

See accompanying notes to financial statements.

Notes to Financial Statements

1. Investment Credit

Based on the Revenue Act of 1964, the entire 7% investment credit for the year 1964 amounting to approximately $100,000 has been recorded as a reduction of the provision for Federal income tax. Unamortized investment credit at December 31, 1964 of $119,380 ($218,832, at December 31, 1963) arising under the Revenue Act of 1962 is included in "accumulated depreciation and amortization"; such balance is being absorbed in income over the productive life of the related assets.

2. Capital Stock

Authorized cumulative preferred stock consists of 236,984 shares of $100 par value issuable in series; at December 31, 1964, 16,068 shares of Series A, $4.75 dividend (including 1,695 shares in treasury) and 131,939 shares of Series B, $4.00 dividend (including 12,690 shares in treasury) were authorized and issued. The Series A preferred stock has been called for redemption on March 1, 1965 at $100, plus accrued dividends. The Series B preferred stock is redeemable, at the option of the company, at $101 to December 1, 1966 and $100 thereafter, plus accrued dividends.

Authorized common stock consists of 3,500,000 shares of $1 par value of which 2,790,458 shares are issued and outstanding. Common stock includes additional capital amounting to $9,066,897 which arose from conversion of 4% preferred shares into shares of common stock prior to redemption of the 4% preferred shares in February 1950 and is included in common stock capital in accordance with statutory requirements. Capital surplus of $243,126 arising from purchase at less than par value and subsequent retirement of shares of Series A and B preferred stock and of certain shares of Miles Shoes Incorporated is also included in the common stock account.

3. Stock Options

Under the terms of a stock option plan approved by stockholders on April 14, 1964, options may be granted to key managerial employees until February 24, 1974 for the purchase of an aggregate of 100,000 shares of common stock at a price not less than 100% of fair market value at the time of the grant. The right to exercise such options commences two years from the date of the grant and expires five years after such date. Options have been granted at fair market value on date of grant as follows: 40,000 shares at $19.875 per share on April 14, 1964 and 8,500 shares at $23.25 per share on January 7, 1965. In addition to the foregoing plan, an option granted in a prior year for the purchase of 10,000 shares of Common stock at $31.375 was outstanding at December 31, 1964; such option will expire on March 31, 1966.

4. Commitments

At December 31, 1964, the total minimum annual rentals payable under leases expiring after three years (exclusive of additional rentals based on sales under certain leases) was approximately $7,100,000. Leases covering approximately 85% of this amount will expire on various dates within the next fifteen years. Rent expense for the year 1964 attributable to leases expiring after three years amounted to about $7,700,000. Minimum annual rentals payable on leases covering closed stores, less subtenant income, range from $148,400 in 1965 to $13,500 in 1981.

Accountants' Report

To the Board of Directors and Shareholders
MELVILLE SHOE CORPORATION:

We have examined the statement of consolidated financial condition of Melville Shoe Corporation and subsidiary companies as of December 31, 1964 and the related statement of consolidated earnings and retained earnings for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the accompanying statement of consolidated financial condition and statement of consolidated earnings and retained earnings present fairly the financial position of Melville Shoe Corporation and subsidiary companies at December 31, 1964 and the results of their operations for the year then ended, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

PEAT, MARWICK, MITCHELL & CO.
Certified Public Accountants

New York, New York
February 19, 1965

Ten-Year Financial Review

	1964	1963	1962	1961
Results for the Year				
Net Sales	$195,170,712	$182,403,253	$176,447,649	$165,867,317
Wages and Compensation	44,305,240	41,767,766	41,648,202	39,618,572
Taxes—All	10,061,968	8,191,817	8,616,967	8,839,063
Earnings Before Federal Income Taxes	12,336,962	8,462,257	9,150,371	11,090,640
Net Earnings	7,110,962	4,814,257	4,987,371	5,987,740
Dividends Paid	2,779,151	4,196,129	5,049,604	5,064,813
Per Share Results of Common Stock				
Net Earnings	$ 2.35	$ 1.52	$ 1.58	$ 1.93
Dividends	.80	1.30	1.60	1.60
Taxes—All	3.61	2.94	3.09	3.17
Wages	15.88	14.97	14.93	14.20
End of Year Position				
Current Assets	$ 58,701,677	$ 49,782,484	$ 50,246,808	$ 50,431,773
Current Liabilities	17,273,171	13,694,338	15,528,678	14,494,932
Current Ratio	3.40	3.64	3.24	3.48
Property, Plant & Equipment				
At Cost	$ 47,166,934	$ 47,316,850	$ 47,100,464	$ 44,694,908
Net After Accumulated Depreciation	16,030,347	17,927,181	19,441,368	19,637,472
Capital Additions	2,046,351	2,356,124	3,328,135	4,610,098
Depreciation	3,272,223	3,308,102	3,346,346	3,073,135
Percent to Net Sales				
Earnings Before Federal Income Taxes	6.32%	4.64%	5.19%	6.69%
Net Earnings	3.64%	2.64%	2.83%	3.61%
Percent Net Earnings to Shareholders' Equity	18.52%	12.64%	13.37%	16.01%
Number of Stores	1,250	1,244	1,249	1,212

Melville Shoe Corporation and Subsidiary Companies

1960	1959	1958	1957	1956	1955
$161,594,237	$151,709,758	$136,436,124	$130,355,538	$126,124,405	$114,495,706
40,028,701	36,457,979	35,014,142	34,327,002	32,760,367	29,778,832
8,808,017	8,564,057	7,453,337	7,319,322	7,945,606	7,644,740
11,916,845	12,246,434	10,424,782	10,489,518	11,521,940	11,210,272*
6,608,408	6,743,280	5,565,782	5,638,618	5,920,940	5,732,635*
4,870,003	4,416,326	4,980,417	5,681,063	5,682,546	5,124,946
$ 2.15	$ 2.18	$ 1.76	$ 1.78	$ 1.89	$ 2.02
1.52½	1.35	1.55	1.80	1.80	1.80
3.16	3.07	2.67	2.62	2.85	2.74
14.34	13.07	12.55	12.30	11.74	10.67
$ 50,114,106	$ 38,286,610	$ 35,252,259	$ 33,383,910	$ 31,698,364	$ 32,893,168
13,496,197	13,484,043	12,260,359	10,858,952	7,368,969	7,089,991
3.71	2.84	2.88	3.07	4.30	4.64
$ 41,599,614	$ 38,441,558	$ 32,210,276	$ 29,609,488	$ 25,923,596	$ 22,784,670
18,229,601	16,538,527	12,256,146	11,735,800	9,778,845	7,983,992
4,409,129	3,688,271	3,548,572	4,715,408	4,066,177	2,556,822
2,713,596	2,527,654	3,082,265	2,677,614	2,156,730	1,983,039
7.37%	8.07%	7.64%	8.05%	9.14%	9.79%
4.09%	4.44%	4.08%	4.33%	4.69%	5.01%
18.07%	19.02%	15.99%	16.26%	17.28%	17.35%
1,156	1,110	1,053	1,018	947	886

**Excluding non-recurring real estate profit*

[illegible]

MELVILLE SHOE CORPORATION AND SUBSIDIARY COMPANIES

25 West 43rd Street, New York, N. Y. 10036